

DOLLAR

Wise



The State of Connecticut 403(b) Program



When saving for retirement, most people have some plan or strategy that will help them accumulate a nest egg to help finance the future lifestyle they envision. That strategy usually includes diversifying their investments among different asset classes, in order to maximize the opportunities for reward and reduce exposure to risk. But sometimes, market performance, as well as other factors, can change the make-up of your portfolio without you even realizing it. In this issue of **Dollar Wise** we discuss what to look at when deciding if you need to rebalance your retirement savings account.

Nancy Wyman



Balancing Act

Getting Your Asset Allocation Mix Back on Track

Although saving for retirement is a long-term process, it's a good idea to keep track of your investments on a regular basis. If you are a participant in the State's 403(b) Program, you can review the performance of your selected investment options in this newsletter.

But how often do you check the overall balance of your portfolio? When you first started investing in the State of Connecticut 403(b) Program, you made a decision about how your money would be distributed among the different types of investments available to you. Are the percentages you chose comparable to the actual composition of your portfolio today? They may not be, because over time, as the market goes through its typical cycles, your asset allocation can shift.

For example, if you started out with a mix of 65% stocks, 10% cash equivalents and 25% fixed-income, and there was a bull market for several years, your portfolio may be over-represented in the stock class. You could find yourself with a mix of 75% stocks, 5% cash equivalents and 20% fixed-income without even realizing it. That might be more risk than you intended to expose yourself to.

How Asset Values Can Change

Some investments — or one segment of a stock portfolio — may grow faster than others. For example, in the late 1990s, dot.com stocks were runaway investments, sometimes producing relatively high double-digit returns. Since the investment returns are re-invested in the same fund that generated them, if you had invested in dot.com stocks that experienced significant returns, this portion of your portfolio would grow at a faster rate than the rest of your assets. So, a larger percentage than you originally intended would be invested in this option.

In contrast, when the dot.com bubble burst in 2001, those stocks lost a lot of their value. If you had a percentage of your portfolio invested in dot.coms, the value and the

portion of your portfolio represented by these investments shrank. In such a scenario, you may be left with an investment portfolio that's seriously off balance. The dot.com scenario is just one example of how market circumstances can affect your asset mix. In either case, you would need to rebalance your portfolio to get back to your original investment plan.

Other Factors

In addition to market performance, several other factors may play a role in necessitating a change in the mix of your portfolio. For instance, if you have experienced a major life change, such as getting married, divorced, or having a child head to college, your savings goals and objectives may have changed. In this case, you may want to reexamine your allocations and make sure they still make sense in terms of your current situation.

Don't micro-manage — if you originally wanted 50% of your portfolio to be in stocks, and that's crept up to 54%, you may want to leave it as is. Experts generally agree that it's time to consider rebalancing if your portfolio is off by 10% or more.

Getting the Balance Back

So how do you go about rebalancing? As strange as it seems, sometimes it means you reduce or stop contributing to an investment that's doing well, and allocate a larger percentage of your contribution to something that's currently underperforming. Why? Because if one investment is performing really well, it may become over-represented in your portfolio. So, to get back to a "balance" among investment vehicles, you need to invest more heavily in something that is undervalued. This is a generally accepted investment concept known as "buying low and selling high."

Once you get your overall asset allocation back on track, be sure to take a look at how diversified you are within each asset class. For example, if you are invested in stocks, it's best to be in a variety of industries and in companies of different sizes. If you are invested heavily in one type of company, for instance, you are leaving yourself open to an unnecessary amount of risk. By spreading your assets among classes, you are lessening the risk that any one investment will have a large negative impact on your overall portfolio.

Your financial services organization may offer automatic rebalancing services. If you choose to have this service, the accounts automatically maintain the asset allocation you originally selected. Please contact your FSO for more information.

Rebalancing can be as easy as moving 10% of your portfolio from bonds to stocks, or moving from an aggressive, high-risk stock to a stock with the objective of preserving capital. Remember, your ultimate goal is to get back to an asset allocation that you are comfortable with — one that you've created to best meet your needs and savings goals.

2005 Limits

The maximum annual contribution limit for 2005 is \$14,000, so you may want to consider increasing your Program contributions. In addition, if you will be at least age 50 by December 31, 2005, you may be eligible to contribute an extra \$4,000 in Special Age 50 Catch-Up Contributions for a total contribution of \$18,000. Please contact your financial services organization for more information.



Important Note: The information presented in this newsletter is not intended as investment advice. Its purpose is to help you understand the investment choices available through the State of Connecticut 403(b) Program. Your financial strategy and investment choices are entirely your own and should reflect your personal needs and circumstances.

State of Connecticut personnel, including the Human Resources Department staff, cannot provide investment advice. For more information, you may want to consult with a professional financial advisor.

The investment information shown is current as of September 30, 2004.

Financial Services Organization	Contact Number	Website Address
Fidelity Investments	(800) 343-0860	www.fidelity.com
The Hartford	(800) 243-5868 press option 1	www.retire.hartfordlife.com
ING Financial Advisers, LLC	(800) 784-6386	www.ingretirementplans.com
Oldham Resource Group	(800) 626-6106	www.oldham-mutual.com
TIAA-CREF	(888) 842-5350 on weekdays	www.tiaa-cref.org
	(800) 842-2888 on weekends	
Travelers Life & Annuity	(800) 842-4015 press option 2	www.travelerslife.com

The returns shown in this newsletter are provided by the Plan's financial services organizations, which are responsible for their accuracy.

Comparison of Investment Options for the Connecticut 403(b) Program

Performances and Expenses as of September 30, 2004

FIDELITY INVESTMENTS								
		Return on Investments (net of expenses)*			Operating Expenses			
Level of Risk	Investment Options	7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./ M&E	Management Fees	Other Expenses	Total Expenses
Low	Fidelity Retirement Money Market**	0.28%	0.87%	1.24%	0.000%	0.420%	0.000%	0.420%
	91-Day Treasury Bills	0.39%	1.12%	1.33%				
	Fidelity U.S. Bond Index Fund**	3.26%	3.88%	6.04%	0.000%	0.320%	0.000%	0.320%
	LB Aggregate Bond Index	3.20%	3.68%	5.88%				
Medium	Fidelity Balanced	- 0.54%	12.42%	8.66%	0.000%	0.430%	0.240%	0.670%
	Fidelity Puritan	0.11%	13.03%	6.95%	0.000%	0.430%	0.220%	0.650%
	60% S&P 500 + 40% LBAGG Index	0.15%	9.79%	5.15%				
	Fidelity Capital & Income	4.83%	12.11%	15.29%	0.000%	0.580%	0.210%	0.790%
	ML US High Yield Master Trust II	4.63%	12.35%	12.24%				
	Fidelity Equity-Income	- 1.42%	16.59%	6.27%	0.000%	0.480%	0.230%	0.710%
	Russell 3000 Value Index	1.42%	20.89%	8.29%				
	Fidelity Growth & Income	- 0.77%	11.16%	1.81%	0.000%	0.480%	0.220%	0.700%
High	S&P 500 Index	- 1.87%	13.86%	4.04%				
	Fidelity Blue Chip Growth	- 4.52%	7.53%	1.20%	0.000%	0.410%	0.270%	0.680%
	Fidelity Independence	- 3.47%	10.29%	6.16%	0.000%	0.410%	0.210%	0.620%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				
	Fidelity Contrafund	- 0.63%	17.50%	9.20%	0.000%	0.790%	0.210%	1.000%
	Fidelity Dividend Growth	- 4.57%	7.27%	2.17%	0.000%	0.650%	0.250%	0.900%
	Fidelity Magellan	- 2.78%	10.16%	1.73%	0.000%	0.500%	0.200%	0.700%
	Fidelity Spartan U.S. Equity Index**	- 1.90%	13.69%	3.90%	0.000%	0.190%	0.000%	0.190%
	S&P 500 Index	- 1.87%	13.86%	4.04%				
	Fidelity Diversified International	0.24%	20.97%	14.00%	0.000%	0.890%	0.350%	1.240%
	MS EAFE Index	- 0.23%	22.52%	9.52%				
	Fidelity Growth Company	- 6.40%	8.16%	4.45%	0.000%	0.580%	0.270%	0.850%
	Russell 3000 Growth Index	- 5.29%	7.82%	2.11%				
	Fidelity Low-Priced Stock	0.20%	22.30%	18.24%	0.000%	0.740%	0.240%	0.980%
	Russell 2000 Value Index	0.15%	25.66%	17.69%				
	Fidelity Mid-Cap Stock	- 3.95%	10.07%	4.87%	0.000%	0.460%	0.240%	0.700%
	Russell Midcap Index	- 0.84%	20.55%	13.32%				
	Fidelity New Millennium	- 4.56%	6.86%	10.92%	0.000%	0.600%	0.210%	0.810%
	Russell Midcap Growth Index	- 4.33%	13.68%	10.09%				
	Fidelity Small Cap Stock	- 4.29%	19.98%	14.94%	0.000%	0.830%	0.300%	1.130%
	Russell 2000 Index	- 2.86%	18.77%	13.71%				
	Fidelity Value	0.00%	24.33%	14.82%	0.000%	0.760%	0.240%	1.000%
	Russell Midcap Value Index	1.73%	25.62%	15.07%				

Asset transfer provision for transfer of assets from other carrier: none

* In accordance with the requirements of the operating provisions of the 403(b) Program, Fidelity Investments will deduct a quarterly fee to all accounts on file beginning fourth quarter 2002. The purpose of this fee is to pay expenses associated with the 403(b) Program's limited scope third party administrator.

** FMR Co. has voluntarily agreed to reimburse shareholders a portion of the funds' management fee. This agreement can be terminated at any time. Without this reimbursement, each fund's yield would have been lower.

The Fidelity Capital & Income, Mid-Cap Stock, Low-Priced Stock, Small Cap Stock and Diversified International funds may charge a short-term trading fee.

The Low-Priced Stock fund charges 1.50% on shares held less than 90 days, the Small Cap Stock fund charges 2.00% on shares held less than 90 days and the Diversified International fund charges 1.00% on shares held less than 30 days.

Although the information contained above has been carefully verified, its accuracy cannot be guaranteed. All numbers are unaudited.

THE HARTFORD								
		Return on Investments (net of expenses)			Operating Expenses			
Level of Risk	Investment Options	7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./ M&E*	Management Fees	Other Expenses	Total Expenses
Low	Hartford Bond HLS	2.83%	3.35%	6.44%	0.850%	0.470%	0.040%	1.350%
	LB Aggregate Bond Index	3.20%	3.68%	5.88%				
	General (Declared Rate) Account**	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Medium	Franklin Mutual Shares	0.34%	14.99%	6.53%	0.850%	0.600%	0.590%	2.040%
	Hartford Dividend and Growth HLS	0.10%	16.37%	5.28%	0.850%	0.650%	0.040%	1.540%
	MFS Value	1.54%	20.52%	7.57%	0.850%	0.600%	0.600%	2.050%
	Russell 1000 Value Index	1.54%	20.52%	7.57%				
	Hartford Advisers HLS	- 2.10%	6.75%	1.87%	0.850%	0.630%	0.040%	1.520%
	50% S&P 500 + 50% LBAGG Index	0.66%	8.78%	5.35%				
	Van Kampen Equity Income	0.56%	12.30%	5.99%	0.850%	0.360%	0.470%	1.680%
	60% S&P 500 + 40% LBAGG Index	0.15%	9.79%	5.15%				
High	Hartford Capital Appreciation HLS	- 3.29%	23.07%	9.73%	0.850%	0.640%	0.050%	1.540%
	Hartford Index HLS	- 2.15%	12.42%	2.72%	0.850%	0.400%	0.040%	1.290%
	Hartford Stock HLS	- 4.01%	9.24%	0.55%	0.850%	0.460%	0.030%	1.340%
	MFS Capital Opportunities	- 2.89%	10.29%	1.07%	0.850%	0.750%	0.450%	2.050%
	S&P 500 Index	- 1.87%	13.86%	4.04%				
	Hartford Midcap HLS	- 0.77%	16.29%	12.53%	0.850%	0.680%	0.040%	1.570%
	MFS Midcap Growth	- 7.64%	9.81%	- 3.61%	0.850%	0.750%	0.590%	2.190%
	Russell Midcap Growth Index	- 4.33%	13.68%	10.09%				
	Hartford Small Company HLS	- 5.40%	13.21%	9.70%	0.850%	0.720%	0.040%	1.610%
	Invesco Small Company Growth	- 6.55%	5.11%	2.50%	0.850%	0.670%	0.830%	2.350%
	Russell 2000 Growth Index	- 6.01%	11.92%	9.09%				
	Invesco Financial Services	- 0.58%	12.29%	5.03%	0.850%	0.660%	0.670%	2.180%
	S&P Financial Services Sector Index	0.38%	14.92%	7.29%				
	Invesco Leisure	- 2.46%	12.13%	9.40%	0.850%	0.680%	0.700%	2.230%
	S&P Consumer Discretionary Sector Index	- 1.17%	14.15%	7.57%				
	Janus Adviser Worldwide	- 2.49%	5.28%	- 2.25%	0.850%	0.650%	0.550%	2.050%
	MS World Index	- 0.90%	17.63%	6.35%				
	MFS Massachusetts Investors Growth Stock	- 4.25%	5.09%	- 1.00%	0.850%	0.330%	0.620%	1.800%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				
	Templeton Foreign	0.70%	14.82%	10.26%	0.850%	0.610%	0.610%	2.070%
	MS EAFE Index	- 0.23%	22.52%	9.52%				

Asset transfer provision for transfer of assets from other carrier: lesser of 2% or actual deferred sales charge/surrender charge

* Effective November 5, 2004, the separate account Admin./M&E fees will be reduced from 0.850% to 0.650% on all investment options during the accumulation phase.

** The Declared Rate is credited through the close of the calendar year on contributions received during the designated calendar quarter. The rate for the third quarter, 2004, is 4.00%. For contributions received prior to January 1, 2004, the Declared Rate is 4.00%. Rates quoted are effective annual yields.

ING FINANCIAL ADVISERS, LLC								
		Return on Investments (net of expenses)			Operating Expenses			
Level of Risk	Investment Options	7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./ M&E*	Management Fees	Other Expenses	Total Expenses
Low	ING Fixed Plus**	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	ING VP Bond Portfolio	2.99%	3.70%	5.16%	1.000%	0.400%	0.100%	1.500%
	LB Aggregate Bond Index	3.20%	3.68%	5.88%				
	ING VP Money Market Portfolio	0.05%	- 0.12%	0.24%	1.000%	0.250%	0.100%	1.350%
	91-Day Treasury Bills	0.39%	1.12%	1.33%				
	Janus Aspen Series Flexible Income Portfolio	2.98%	2.54%	5.64%	1.000%	0.600%	0.040%	1.640%
	LB Government/Credit Bond Index	3.56%	3.33%	6.32%				
Medium	ING VP Balanced Portfolio, Inc.	0.14%	9.22%	4.31%	1.000%	0.500%	0.100%	1.600%
	60% S&P 500 + 40% LBAGG Index	0.15%	9.79%	5.15%				
	Janus Aspen Series Balanced Portfolio	- 0.08%	7.97%	3.48%	1.000%	0.650%	0.020%	1.670%
	50% S&P 500 + 50% LBAGG Index	0.66%	8.78%	5.35%				
High	Fidelity VIP Growth Portfolio	- 6.32%	4.90%	0.11%	1.000%	0.580%	0.090%	1.670%
	Russell 3000 Growth Index	- 5.29%	7.82%	2.11%				
	FTVIP Franklin Small Cap Value Securities Fund	1.05%	28.75%	16.23%	1.000%	0.570%	0.420%	1.990%
	Russell 2000 Value Index	0.15%	25.66%	17.69%				
	ING MFS Capital Opportunities Portfolio	- 2.89%	10.45%	1.36%	1.000%	0.650%	0.250%	1.900%
	ING VP Index Plus Large Cap Portfolio	- 2.40%	12.27%	1.87%	1.000%	0.350%	0.080%	1.430%
	ING VP Value Opportunity Portfolio	- 0.51%	13.90%	- 0.59%	1.000%	0.600%	0.100%	1.700%
	Lord Abbett Growth and Income Portfolio	- 2.21%	14.30%	6.21%	1.000%	0.500%	0.350%	1.850%
	Pioneer Fund VCT Portfolio	- 0.46%	13.30%	2.67%	1.000%	0.650%	0.110%	1.760%
	S&P 500 Index	- 1.87%	13.86%	4.04%				
	ING VP Index Plus MidCap Portfolio	- 2.60%	16.55%	10.40%	1.000%	0.400%	0.100%	1.500%
	S&P MidCap 400 Index	- 2.10%	17.54%	12.41%				
	ING VP International Value Portfolio	0.80%	15.80%	6.40%	1.000%	1.000%	0.000%	2.000%
	MS EAFE Index	- 0.23%	22.52%	9.52%				
	ING VP Small Company Portfolio	- 2.26%	10.75%	6.43%	1.000%	0.750%	0.100%	1.850%
	Russell 2000 Index	- 2.86%	18.77%	13.71%				
	Janus Aspen Series Mid Cap Growth	- 3.60%	15.24%	4.02%	1.000%	0.650%	0.020%	1.670%
	Russell Midcap Growth Index	- 4.33%	13.68%	10.09%				
	Janus Aspen Series Growth Portfolio	- 7.35%	6.33%	0.33%	1.000%	0.630%	0.040%	1.670%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				
	Oppenheimer Global Securities Fund/VA	- 1.07%	18.58%	8.99%	1.000%	0.630%	0.040%	1.670%
	MS World Index	- 0.90%	17.63%	6.35%				

Asset transfer provision for transfer of assets from other carrier: none

No annual maintenance fee.

* As of October 2004 the M&E has been reduced to .85%.

** The Declared Rate as of October 2004 is 4.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.80% through December 31, 2004.

OLDHAM RESOURCE MUTUAL, INC.								
		Return on Investments (net of expenses)			Operating Expenses			
Level of Risk	Investment Options	7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./ M&E	Management Fees	Other Expenses	Total Expenses
Low	Fidelity U.S. Bond Index	3.14%	3.38%	5.54%	0.500%	0.320%	0.000%	0.820%
	PIMCO Total Return D	3.04 %	3.66%	5.69%	0.500%	0.750%	0.000%	1.250%
	LB Aggregate Bond Index	3.20 %	3.68%	5.88%				
	Fidelity Money Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Safeco Preference FP Fixed*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	91-Day Treasury Bills	0.39%	1.12%	1.33%				
Medium	Merger	- 1.50%	1.49%	0.99%	0.500%	1.370%	0.000%	1.870%
	Pax World Balanced	- 0.08%	11.54%	4.50%	0.500%	0.990%	0.000%	1.490%
	Oakmark Equity & Income	- 1.20%	14.14%	10.47%	0.500%	0.930%	0.000%	1.430%
	60% S&P 500 + 40% LBAGG Index	0.15%	9.79%	5.15%				
High	Clipper	- 2.44%	6.12%	5.64%	0.500%	1.130%	0.000%	1.570%
	Russell 1000 Value Index	1.54%	20.52%	7.57%				
	Jensen	- 5.18%	8.77%	4.50%	0.500%	0.880%	0.000%	1.380%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				
	Artisan Mid Cap Value	3.41%	29.10%	19.91%	0.500%	1.590%	0.000%	2.090%
	FAM Value	0.47%	18.83%	11.26%	0.500%	1.240%	0.000%	1.740%
	Russell Midcap Value Index	1.73%	25.62%	15.07%				
	Dreyfus Mid Cap Index	- 2.35%	16.49%	11.33%	0.500%	0.510%	0.000%	1.010%
	S&P Mid Cap 400 Index	- 2.10%	17.54%	12.41%				
	Gabelli Small Cap Growth	- 2.58%	20.90%	15.80%	0.500%	1.450%	0.000%	1.950%
	Russell 2000 Growth Index	- 6.01%	11.92%	9.09%				
	Royce Total Return	- 0.04%	18.39%	15.69%	0.500%	1.180%	0.000%	1.680%
	Russell 2000 Value Index	0.15%	25.66%	17.69%				
	Needham Small Cap Growth	- 10.23%	6.93%	N/A	0.500%	2.500%	0.000%	3.000%
	Needham Growth	- 9.25%	- 0.10%	5.26%	0.500%	1.770%	0.000%	2.270%
	Russell 2000 Growth Index	- 6.01%	11.92%	9.09%				
	Third Avenue International Value	7.69%	35.49%	N/A	0.500%	1.750%	0.000%	2.250%
	MS EAFE Index	- 0.23%	22.52%	9.52%				
	Gabelli Global Growth	- 0.57%	7.36%	4.20%	0.500%	1.710%	0.000%	2.210%
	MS World Index	- 0.90%	17.63%	6.35%				
	Third Avenue Real Estate Value	6.89%	28.82%	19.72%	0.500%	1.190%	0.000%	1.690%
	Wilshire REIT Index							

Asset transfer provision for transfer of assets from other carrier: none

* Premium payments will be credited with the effective interest rate established for the date each payment is received. The current rate as of September 30, 2004, is 3.10%. The effective rate reflects the effects of daily compounding of interest.

TIAA - CREF								
		Return on Investments (net of expenses) *			Operating Expenses			
Level of Risk	Investment Options	7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./ M&E	Management Fees	Other Expenses	Total Expenses
Low	CREF Bond Market Account	3.12%	3.49%	5.71%	0.230%	0.110%	0.050%	0.390%
	LB Aggregate Bond Index	3.20%	3.68%	5.88%				
	CREF Inflation-Linked Bond Account	3.76%	7.08%	9.28%	0.230%	0.110%	0.050%	0.390%
	Citi US Inflation-Linked Securities Index	3.72%	7.23%	9.67%				
	CREF Money Market Account	0.29%	0.80%	1.16%	0.230%	0.060%	0.050%	0.340%
	91-Day Treasury Bills	0.39%	1.12%	1.33%				
	TIAA Traditional Annuity**	1.23%	4.75%	6.29%	N/A	N/A	N/A	N/A
Medium	CREF Social Choice Account	- 0.27%	9.71%	5.57%	0.230%	0.090%	0.050%	0.370%
	60% Russell 3000 + 40% LBAGG Index	0.14%	10.03%	5.92%				
	TIAA Real Estate Account***	4.48%	10.62%	6.86%	0.300%	0.220%	0.085%	0.600%
	NCREIF Index***	3.13%	10.84%	7.97%				
High	CREF Equity Index Account	- 1.98%	13.82%	4.87%	0.230%	0.080%	0.050%	0.360%
	CREF Stock Account	- 1.68%	14.92%	5.62%	0.230%	0.120%	0.050%	0.400%
	Russell 3000 Index	- 1.90%	14.26%	5.31%				
	CREF Global Equities Account	- 2.02%	16.39%	5.17%	0.230%	0.160%	0.050%	0.440%
	MS World Index	- 0.90%	17.63%	6.35%				
	CREF Growth Account	- 4.57%	7.22%	0.23%	0.230%	0.140%	0.050%	0.420%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				

Asset transfer provision for transfer of assets from other carrier: none

* In accordance with the requirements of the operating provisions of the 403(b) Program, TIAA-CREF will assess a fee for each active account on a monthly basis beginning December 2002. The purpose of this fee is to pay expenses associated with the 403(b) Program's limited scope third party administrator.

** Rates for the TIAA Traditional Annuity are quoted after all operation charges have been deducted. These charges are very low, averaging about 1/3 of 1% of assets. New contributions applied to the TIAA Traditional Annuity under a Group Supplemental Retirement Annuity (GSRA) contract during the period from October 1, 2004 through October 31, 2004, will be credited with an interest rate of 3.00%.

*** TIAA Real Estate Account and the NCREIF Index returns are presented one quarter in arrears due to a lag in the availability of the benchmark return.

TRAVELERS LIFE & ANNUITY								
Level of Risk	Investment Options	Return on Investments (net of expenses)			Operating Expenses			
		7/1/04 - 9/30/04	1 Year	Annualized 3 Years	Admin./M&E	Management Fees	Other Expenses	Total Expenses
Low	Fixed Income*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Travelers Money Market Portfolio	0.12%	0.17%	0.49%	0.600%	0.320%	0.100%	1.020%
	91-Day Treasury Bills	0.39%	1.12%	1.33%				
	Travelers Quality Bond Portfolio	2.53%	2.53%	3.74%	0.600%	0.320%	0.110%	1.030%
	LB Aggregate Bond Index	3.20%	3.68%	5.88%				
	Travelers U.S. Government	4.70%	3.71%	6.00%	0.600%	0.320%	0.100%	1.020%
	ML US Treasury/Agency Master Index	3.12%	2.56%	5.25%				
Medium	Equity Income Portfolio (Fidelity)	0.03%	12.59%	7.06%	0.600%	0.750%	0.120%	1.470%
	Russell 3000 Value Index	1.42%	20.89%	8.29%				
	MFS Total Return	1.47%	10.86%	6.06%	0.600%	0.800%	0.020%	1.420%
	60% S&P 500 Index + 40% LBAGG Index	0.15%	9.79%	5.15%				
	Smith Barney Appreciation Portfolio	- 2.06%	11.49%	3.92%	0.600%	0.750%	0.020%	1.370%
	S&P 500 Index	- 1.87%	13.86%	4.04%				
High	AIM V.I. Premier Equity Fund	- 3.81%	6.95%	- 2.74%	0.600%	0.610%	0.240%	1.450%
	Equity Index Portfolio - Class II	- 2.15%	12.53%	2.87%	0.600%	0.310%	0.290%	1.200%
	Fidelity VIP Contrafund S2	- 0.73%	16.89%	8.66%	0.600%	0.580%	0.320%	1.500%
	S&P 500 Index	- 1.87%	13.86%	4.04%				
	Dreyfus VIF Developing Leaders Portfolio	- 1.28%	14.76%	8.21%	0.600%	0.750%	0.070%	1.420%
	Russell 2000 Index	- 2.86%	18.77%	13.71%				
	Capital Appreciation (Janus)	0.02%	16.39%	2.02%	0.600%	0.750%	0.070%	1.420%
	Van Kampen LIT Emerging Growth - Class II	- 5.03%	5.93%	- 3.51%	0.600%	0.700%	0.320%	1.620%
	Russell 1000 Growth Index	- 5.23%	7.51%	1.61%				
	Large Cap Portfolio (Fidelity)	- 5.39%	7.13%	0.67%	0.600%	0.750%	0.110%	1.460%
	S&P 500 Growth Index	- 4.78%	7.52%	2.01%				
	MFS Mid Cap Growth	- 7.54%	9.60%	- 4.91%	0.600%	0.800%	0.120%	1.520%
	Putnam VT Discovery Growth - IB	- 7.51%	2.43%	2.10%	0.600%	0.700%	1.110%	2.410%
	Russell Midcap Growth Index	- 4.33%	13.68%	10.09%				
	Putnam VT International Equity - IB	- 0.23%	15.21%	4.32%	0.600%	0.770%	0.470%	1.840%
	MS EAFE Index	- 0.23%	22.52%	9.52%				
	Putnam VT Small Cap Value - IB	- 0.45%	31.97%	16.44%	0.600%	0.800%	0.370%	1.770%
	Russell 2000 Value Index	0.15%	25.66%	17.69%				
	Salomon Brothers Variable All Cap Portfolio	- 4.61%	12.86%	4.45%	0.600%	0.850%	0.130%	1.580%
	Russell 3000 Index	- 1.90%	14.26%	5.31%				
	Salomon Brothers Variable Investors	- 1.98%	14.70%	3.90%	0.600%	0.700%	0.120%	1.420%
	S&P 500 Value Index	1.04%	20.47%	5.83%				
	Smith Barney Aggressive Growth Portfolio	- 1.74%	11.19%	2.03%	0.600%	0.800%	0.020%	1.420%
	Russell 3000 Growth Index	- 5.29%	7.82%	2.11%				
	Travelers Disciplined Mid Cap	- 2.40%	16.84%	10.84%	0.600%	0.700%	0.120%	1.420%
	Russell Midcap Index	- 0.84%	20.55%	13.32%				

Asset transfer provision for transfer of assets from other carrier: lesser of 2% or actual deferred sales charge/surrender charge

* Interest rate varies quarterly. The rate for the third quarter of 2004 is 4.25%.